taken for the dilligence by the prospective bidders, finalization of agreements etc.

Guidelines on Fuel Import

1441. SHRI P. PRABHAKAR REDDY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have recently framed the guidelines on fuel import under duty exemption scheme;

(b) if so, the details thereof;

(c) whether the revised scheme would be disadvantageous to the exporters; and

(d) if so, what steps are proposed to be taken to help the exporters?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI OMAR ABDULLAH): (a) and (b) Yes, Sir Government has decided to allow fuel under Standard Input Output Norms (SION) for Advance Licensing Scheme, wherein fuel constitutes more than 15% of the total cost of manufacturing.

(c) and (d) Since fuel has hitherto not normally been allowed under SION, it is expected that allowing fuel under the Norms shall be advantageous to the manufacturer wherein fuel constitutes as significant part of production cost by reducing the cost of production itself. This would make Indian products more competitve in the international market.

Inevitability of Export for Auto Industry

†1442. SHRI RAJ MOHINDER SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Auto industry in the country had been acquianted of the inevitability of export while granting approval for production;

(b) what is the percentage of toal production which had been set as export obligation for industry;

(c) whether exports have been made in conformity with the fixed import obligations during the remaining period of the current year; and

(d) if not, the reaons therefor and to what extent exports have been made so far?

†Original notice of the Question was received in Hindi.

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI OMAR ABDULLAH): (a) No such condition was imposed while granting approval for production.

(b) Does not arise.

(c) and (d) As per the present policy the passenger car manufacturers are required to sign memorandum of understanding with the Government of India committing themselvs to achieving a broad neutralisation of foreign exchange in terms of balancing between the actual CIF value of imports of CKD/SKD Kits/ Components and the FOB value of exports of cars and auto components. The period for this export obligation commences from the third year of commencement of production. The concerned companies have already started their export. The period of fulfillment of EO is still not over. Hence, the question of a company not fulfilling the export obligation does not arise at this stage.

FDI in the Country

1443. SHRI SATISH PRADHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that despite having approved $ 61 billion worth of Foreign Direct Investment (FDI) over the past ten years, only $ 21 billion have actually come into the country due to lack of facilitation process and difficulties in project implementation;

(b) if so, the reasons therefor; and

(c) the steps taken by Government for improvement in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN): (a) to (c) The actual inflow of Foreign Direct Investment (FDI) during the period from January 1991 to September 2000 has been US$ 22.347 billion against the total amount of FDI of US$ 66.272 billion approved during this period.

It has been the constant endeavour of the Government to attract more FDI. With a view to improve implementation rate, the FDI policy is reviewed continuously to make it more investor-friendly. For facilitating speedy implementation of projects, Government has also set up a Foreign Investment implementation Authority comprising representatives from various concerned administrative department from the Central and State Governments, which seeks to resolve the problems faced by the entrepreneurs.